

Message Text

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ACTION EA-10

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-07 INR-07 LAB-04

NSAE-00 SIL-01 A-01 OPR-02 SY-05 IO-10 SCCT-01 AID-05

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INFO CINCPAC HONOLULU

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C O N F I D E N T I A L BANGKOK 11190

CINCPAC ALSO FOR POLAD

E.O. 11652: GDS

TAGS: ELAB, TH

SUBJ: LABOR UNREST CONTINUES

REF: A. BANGKOK 10933

B. BANGKOK 10364

C. BANGKOK 10181

1. SUMMARY. THE STRIKE AT THE DUSIT THANI HAS RESUMED. GOVERNMENT EFFORTS TO MEDIATE A SETTLEMENT SUFFERED A SETBACK WHEN THE HOTEL OWNERS REFUSED TO REHIRE 115 EMPLOYEES DISMISSED FOR ABANDONING THEIR POSITIONS. GOVERNMENT STATEMENT SEEMINGLY ENDING DUSIT THANI AND STANDARD GOVERNMENT STRIKES INDICATED 115 EMPLOYEES WOULD BE REHIRED. AT THE SAME TIME TWO GROUPS OF EMPLOYEES OF U.S. CONTRACTORS HAVE ASSEMBLED IN BANGKOK TO PRESS THEIR DEMANDS. END SUMMARY.

2. FOUR DAYS AFTER IT APPEARED THAT A SETTLEMENT HAD BEEN REACHED IN THE SEVEN WEEK DUSIT THANI STRIKE (GEFTEL A), A
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GROUP OF PICKETS REASSEMBLED OUTSIDE THE HOTEL TO RENEW DE-

MAND THAT 115 DISMISSED EMPLOYEES BE REHIRED. IN ANNOUNCING A SETTLEMENT PREEDA PATANATHABUTR, SECRETARY TO THE PRIME MINISTER STATED MANAGEMENT HAD AGREED TO THE DEMANDS OF THE STRIKERS, INCLUDING REHIRING OF THE 115. MORE SPECIFIC REPORTS INDICATE RTG HAD AGREED ONLY TO TRY TO PERSUADE MANAGEMENT TO ACCEPT ALL FORMER EMPLOYEES. MANAGEMENT DISMISSED THE GROUP BECAUSE THEY ABANDONED THEIR WORK, CAUSE FOR DISMISSAL UNDER THE LABOR RELATIONS ACT. STRIKERS MAINTAINED DISMISSAL WAS RESULT OF UNION ACTIVITY. IN A DISCUSSION AT THE HOME OF OUTGOING LABOR OFFICER LABOR LEADERS WERE UNANIMOUS IN PLACING RESPONSIBILITY FOR SECURING THE REEMPLOYMENT OF THE 115 ON THE GOVERNMENT. HOTEL OWNERS WOULD SEEM TO AGREE; BANGKOK POST REPORTED MANAGEMENT TOLD STRIKE LEADERS "IF THE GOVERNMENT PROMISED YOU WORK, GO CONTACT THE GOVERNMENT." WHEN LABOR DEPT. OFFICIALS WERE ASKED JUNE 12 ABOUT THE STATUS OF THE DUSIT THANI STRIKE THEY GLUMLY ADMITTED THEY EXPECTED FURTHER TROUBLE.

3. ON THE EVENING OF JUNE 12 THREE MEMBERS OF THE RED GAUR GROUP THAT HAS RETURNED TO GUARD THE HOTEL AND THREE STRIKERS WERE INJURED WHEN A VOLLEY OF PLASTIC BOMBS EXPLODED IN THE HOTEL COMPOUND.

4. IN ANOTHER DISPUTE, A GROUP OF SECURITY GUARDS EMPLOYED BY THE RTG SUPREME COMMAND UNDER A U.S. GOVERNMENT CONTRACT TO PROVIDE SECURITY FOR U.S. TENANTED AIRBASES, HAVE BEEN PROTESTING THE ACTIONS OF THE SUPREME COMMAND. SECURITY GUARDS CLAIMED THE SUPREME COMMAND HAD POCKETED A LARGE PORTION OF THEIR WAGES, WELFARE AND SEVERANCE PAY. WHEN EMBASSY OFFICERS VISITED LABOR DEPARTMENT ON AN UNRELATED MATTER BELEAGUED LABOR OFFICIALS ASKED WHERE THEY MIGHT OBTAIN A COPY OF THE SECURITY GUARD CONTRACT, AND PRESSED EMBASSY OFFICER FOR ASSURANCE THAT FUNDS FOR SEVERENCE PAY DO EXIST. EMBOFFS SUGGESTED THAI LABOR DEPT. SPEAK DIRECTLY WITH SUPREME COMMAND.

5. IN STILL ANOTHER CASE A SMALL BUT PERSISTANT GROUP OF WORKERS AT THE SALTSHAKER U.S. ARMY AMMUNITION ACTIVITY NEAR KORAT RETURNED TO THE EMBASSY GATE JUNE 11 WITH POSTERS AND A SOUND TRUCK TO RENEW DEMAND THAT U.S. ASSUME RESPONSIBILITY FOR PAYMENT OF SEVERANCE PAY WHEN OPERATION/MAINTENANCE CONTRACT CONFIDENTIAL

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EXPIRES ON JUNE 30, 1975. IN SPITE OF THE UNEQUIVOCAL PROVISION IN THE CONTRACT STATING EMPLOYEES ARE NOT EMPLOYEES OF USG AND THE THAI CONTRACTOR WILL BE RESPONSIBLE FOR COMPLIANCE WITH THAI LAW INCLUDING PAYMENT OF SEVERANCE PAY, CONTRACTOR HAS CONVINCED WORKERS HE IS UNABLE TO PAY AND DIRECTED THEM DOWN THE NOW FAMILIAR PATH TO THE EMBASSY GATE.

6. RTG LABOR DEPT. IS AWARE OF SALTSHAKER PROTEST, HAS BEEN

GIVEN A COPY OF THE CONTRACT AND AN EXPLANATION OF EMBASSY POSITION. ON JUNE 12 DCM PROTESTED STRONGLY TO UNDER SECRETARY OF FOREIGN AFFAIRS OVER DEMONSTRATION, PARTICULARLY USE OF LOUDSPEAKER. THIS RESULTED IN SOUND TRUCK BEING TURNED OFF BUT ABOUT TWO DOZEN PROTESTORS ARE STILL CAMPING PEACEFULLY OUTSIDE THE EMBASSY GATE. LABOR DEPT. OFFICIALS PRIVATELY ADMIT CONTRACT ABSOLVES EMBASSY FROM RESPONSIBILITY FOR SEVERANCE PAYMENTS BUT SAY IT WOULD BE "NICE" IF USG PAID ANYWAY. LABOR DEPT. REFUSES ADVISE PROTESTORS TO STOP PICKETING EMBASSY.

7. COMMENT: FAILURE OF DUSIT THANI MANAGEMENT TO ACCEPT RTG SOLUTION HAS EXACERBATED ATMOSPHERE OF TENSION AND DISTRUST. WITHOUT SWIFT CAPITULATION BY MANAGEMENT STRIKE LIKELY TO SETTLE INTO A ROUTINE OF NIGHT VIOLENCE. HOPEFULLY, RTG WILL RE-EXAMINE ITS ROLE IN THE STRIKE SETTLEMENT AND REALIZE THE DESIRABILITY OF ESTABLISHING AN IMPARTIAL MEDIATION MECHANISM WITHIN FRAMEWORK OF A WORKABLE LABOR RELATIONS ACT. IT IS DOUBTFUL RTG CAN ASSUME THAT ROLE OR COME UP WITH AN ACCEPTABLE LABOR ACT IN THE NEAR FUTURE. DISPUTES INVOLVING EMPLOYEES OF USG CONTRACTORS WILL INCREASE WITH THE DEPARTURE OF U.S. FORCES. EMPLOYEES CONVICTION THAT CONTRACTORS HAVE NOT HONORED COMMITMENTS WILL LEAD WORKERS TO SEEK SUPPORT OF PUBLIC OPINION. FAILURE OF RTG LABOR OFFICIALS TO ACT DECISIVELY WHEN PRESENTED WITH CLEAR PROVISION ABSOLVING USG OF RESPONSIBILITY ILLUSTRATES LIMITATIONS OF LABOR DEPT. AND PITFALLS CONFRONTING USG CONTRACTING SYSTEM DURING DIFFICULT WITHDRAWAL PERIOD. THE ROAD AHEAD IN USG LABOR RELATIONS WILL BE ROCKY NO MATTER HOW AIR TIGHT CONTRACTS MAY BE. THE ISSUE IS POLITICAL NOT LEGAL.
WHITEHOUSE

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